

Message Text

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ACTION NEA-10

INFO OCT-01 EUR-12 EA-10 ISO-00 SP-02 USIA-06 AID-05
EB-08 NSC-05 SS-15 STR-04 OMB-01 CEA-01 L-03 H-01
IGA-02 CIAE-00 INR-07 NSAE-00 COME-00 /093 W
-----073896 261836Z /53

R 261605Z AUG 77
FM AMEMBASSY LONDON
TO SECSTATE WASHDC 7707
TREASURY DEPT WASHDC
INFO AMEMBASSY MANAMA
AMEMBASSY DOHA
AMEMBASSY ABU DHABI
AMEMBASSY AMMAN
AMEMBASSY CAIRO
USINT BAGHDAD
AMEMBASSY DAMASCUS
AMEMBASSY JIDDA
AMEMBASSY KUWAIT
AMEMBASSY MUSCAT
AMEMBASSY SANA
AMEMBASSY TRIPOLI
AMEMBASSY PARIS
AMEMBASSY BONN
AMEMBASSY ROME
AMEMBASSY OTTAWA
AMEMBASSY TOKYO

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E.O. 11652: N/A
TAGS: ETRD, PFOR, BA, QA, UK
SUBJECT: ARAB BOYCOTT: RESISTANCE BY BRITISH BANKS TO
USE OF POSITIVE CERTIFICATIONS

REF: STATE 167300; LONDON 12053
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SUMMARY: STANDARD CHARTERED BANK LIMITED REPORTS THAT AL
ITS BRANCHES IN THE GULF HAVE RECOGNIZED THAT POSITIVE
CERTIFICATES OF ORIGIN ARE ACCEPTABLE AND ALL NOW
CALL FOR THIS FORM IN THEIR LETTERS OF CREDIT. END SUMMAR

1. AS A FOLLOW UP TO FINANCIAL ATTACHE'S CONVERSATION

WITH LORD BARBER, CHAIRMAN OF STANDARD CHARTERED BANK,
MR. V.R. WINTON, GENERAL MANAGER OF THE BANK HAS SENT
FINANCIAL ATTACHE FOLLOWING LETTER DATED 25 AUGUST 1977.

QUOTE DEAR MR. AMMERMAN:

I WRITE WITH REFERENCE TO OUR CHAIRMAN'S LETTER
DATED 20TH JULY, WRITTEN FOLLOWING YOUR TELEPHONE
CONVERSATION WITH HIM UPON THE QUESTION OF U.S.
BUSINESS HOUSES AND BANKS BEING REQUIRED TO EMPLOY
ONLY "POSITIVE" CERTIFICATES OF MANUFACTURE OR
ORIGIN, IN TRADING WITH ARAB IMPORTERS. IT
WAS YOUR UNDERSTANDING THAT THOUGH "POSITIVE" CER-
TIFICATES WERE ACCEPTABLE TO THE CONCERNED AUTHORI-
TIES IN QATAR AND BAHRAIN, OUR BRANCHES IN THOSE
COUNTRIES WERE CONTINUING TO INSIST ON THE "NEGA-
TIVE" FORM OF CERTIFICATE.

HAVING TAKEN THIS MATTER UP THROUGH THE CHIEF
MANAGER OF OUR GULF BRANCHES, I AM PLEASED TO AD-
VISE THAT ALL OUR BRANCHES IN THE AREA, INCLUDING
QATAR AND BAHRAIN, HAVE RECOGNIZED THAT "POSITIVE"
CERTIFICATES OF ORIGIN ARE INDEED ACCEPTABLE AND
ALL NOW CALL FOR THIS FORM IN THEIR LETTERS OF
CREDIT. THAT THE CHANGE IS RECENT, HOWEVER, IS
PERHAPS EVIDENCED BY THE FACT THAT IN THE OMAN,
FOR EXAMPLE, THE RELEVANT DIRECTIVE FROM THE AUTHO-
RITIES IS DATED 25TH JULY.

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THE SITUATION REGARDING SHIPPING CERTIFICATES
IS SOMEWHAT DIFFERENT BECAUSE, AGAIN, THOUGH THERE
ARE NO HARD AND FAST REGULATIONS GOVERNING A PRE-
CISE WORDING OR TEXT, IT IS A UNIFORM REQUIRE-
MENT OF THE AUTHORITIES THAT SHIPPING CER-
TIFICATES SHOULD INCORPORATE WHAT IS IN EFFECT
"NEGATIVE" CONTENT. THE ATTACHED TABLE SETS OUT
THE CLAUSES CURRENTLY INCORPORATED IN OUR GULF
BRANCH LETTERS OF CREDIT AND, IN CONNECTION WITH

SHIPPING CERTIFICATES, OUR CHIEF MANAGER,
GULF WRITES: "ON DISCUSSING THE MATTER WITH THE
U.S. AMBASSADOR TO BAHRAIN, HE EXPRESSED THE OPIN-
ION THAT DESPITE THE NEGATIVE NATURE OF THE SHIP-
PING CERTIFICATES THEY MIGHT PROVE TO BE ACCEPTABLE
TO U.S. AUTHORITIES IN VIEW OF THE CLAUSE CONTAINED
IN THE U.S. LEGISLATION STATING THAT "US FIRMS WILL
BE ABLE TO CONTINUE TO SPECIFY THAT GOODS WILL NOT
BE SHIPPED VIA VESSELS OR PORTS OF BOYCOTTED
COUNTRIES"."

I VERY MUCH HOPE THAT THE ABOVE WILL BE OF SOME
HELP TO YOU.

WITH KIND REGARDS,
YOURS SINCERELY,
V.R. WINTON, GENERAL MANAGER

UNQUOTE

2. THE ATTACHED TABLE TO THE LETTER, SETTING OUT CLAUSES
CURRENTLY INCORPORATED IN STANDARD CHARTERED BANK'S GULF
BRANCH LETTERS OF CREDIT AND IN CONNECTION WITH SHIPPING
CERTIFICATES READS AS FOLLOWS:

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QUOTE CLAUSES INCORPORATED IN LETTERS OF CREDIT AUG. 197

BRANCH: (1) BAHRAIN
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CERTIFICATES OF ORIGIN

CERTIFICATE OF ORIGIN MUST BE ISSUED IN THE
COUNTRY OF EXPORT OF THE RELATIVE MERCHANDISE
AND INDICATE THE NAME OF THE ORIGINAL MANUFACTURER
OR PRODUCER OF THE GOODS.

SHIPPING CERTIFICATES

CERTIFICATE FROM STEAMSHIP COMPANY THAT
CARRYING VESSEL IS NEITHER ISRAELI OWNED NOR
REGISTERED, AND DOES NOT CALL AT ANY ISRAELI
PORT, AND IS NOT ON THE ISRAELI BLACKLIST.

(2) ABU DHABI

CERTIFICATES OF ORIGIN

MANUFACTURERS/SUPPLIERS MUST CERTIFY IN
THEIR INVOICES THAT THE GOODS MENTIONED THEREIN
ARE OF USA ORIGIN, THAT THEY CONTAIN ONLY USA
MATERIALS, AND THAT THEY ARE EXPORTED FROM THE
USA.

SHIPPING CERTIFICATES

CERTIFICATE FROM THE STEAMSHIP COMPANY TO CERTIFY
THAT THE CARRYING VESSEL IS NOT INCLUDED IN
THE BLACKLIST OF THE ISRAELI BOYCOTT OFFICE.

(3) DOHA

CERTIFICATES OF ORIGIN

CERTIFICATE STATING THE ORIGIN OF THE GOOD
AND SHOWING THE NAME OF THE MANUFACTURER OR
PRODUCER.

SHIPPING CERTIFICATES

SHIPMENT ON ISRAELI SHIPS/AIRCRAFT IS NOT
ALLOWED. CERTIFICATE FROM STEAMSHIP COMPANY
SHOWING THE NAME, NATIONALITY AND FLAG OF THE
CARRYING VESSEL; ALSO STATING THAT IT IS NOT

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BANNED IN THE ARAB COUNTRIES AND IS NOT CALLING
AT ANY ISRAELI PORT THROUGH ITS PRESENT VOYAGE.

(4) DUBAI/SHARJAH

CERTIFICATES OF ORIGIN

CERTIFICATE STATING THE ORIGIN OF THE GOODS
AND SHOWING THE NAME OF THE MANUFACTURER.
SHIPPING CERTIFICATES

STEAMSHIP AGENTS CERTIFICATE TO STATE THAT
THE CARRYING VESSEL IS NOT UNDER BLACKLIST BY
THE ISRAELI BOYCOTT OFFICE, AND IS NOT SCHEDULE
TO CALL AT ANY ISRAELI PORT DURING ITS TRIP TO
ARABIAN PORTS.

(5) MUSCAT

CERTIFICATES OF ORIGIN

CERTIFICATE OF ORIGIN CERTIFYING THAT GOODS
HAVE INDEED ORIGINATED IN THE COUNTRY OF ISSU-
ANCE. IF THERE ARE ANY PARTS AND COMPONENTS
OR INGREDIENTS AND MATERIAL IN THE SAID GOODS
COMING FROM OTHER COUNTRIES, THE CERTIFI-
CATE SHOULD CLEARLY INDICATE SO, AS WELL AS
WHERE FROM.

SHIPPING CERTIFICATES

CERTIFICATE ISSUED BY THE SHIP-OWNERS OR
AGENT CERTIFYING THAT THE CARRYING VESSEL DOES
NOT SAIL UNDER THE ISRAELI FLAG AND WILL NOT
CALL AT ANY ISRAELI PORT.

3. EMBASSY REQUESTS THAT TEXT OF ABOVE LETTER AND
ATTACHED TABLE BE HELD WITHIN USGOVERNMENT ONLY AND NOT
DISCUSSED WITH OTHER GOVERNMENTS OR COMMERCIAL FIRMS, IN
KEEPING WITH CONFIDENTIAL NATURE OF EXCHANGE BETWEEN
LORD BARBER AND FINANCIAL ATTACHE.

STREATOR

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Message Attributes

Automatic Decaptioning: X
Capture Date: 01-Jan-1994 12:00:00 am
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: BOYCOTTS, BANKS, CERTIFICATES OF ORIGIN
Control Number: n/a
Copy: SINGLE
Sent Date: 26-Aug-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 22 May 2009
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1977LONDON14326
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D770309-0812
Format: TEL
From: LONDON
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1977/newtext/t19770819/aaaaaprb.tel
Line Count: 262
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: 67dd5b52-c288-dd11-92da-001cc4696bcc
Office: ACTION NEA
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 5
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: 77 STATE 167300, 77 LONDON 12053
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 04-Feb-2005 12:00:00 am
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 1470700
Secure: OPEN
Status: NATIVE
Subject: ARAB BOYCOTT: RESISTANCE BY BRITISH BANKS TO USE OF POSITIVE CERTIFICATIONS
TAGS: ETRD, PFOR, BA, QA, UK
To: STATE TRSY
Type: TE
vdkgvwkey: odb://SAS/SAS.dbo.SAS_Docs/67dd5b52-c288-dd11-92da-001cc4696bcc
Review Markings:
Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
22 May 2009
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009